



DEPARTMENT OF THE NAVY
THE ASSISTANT SECRETARY OF THE NAVY
(INSTALLATIONS AND ENVIRONMENT)
1000 NAVY PENTAGON
WASHINGTON, D.C. 20350-1000

25 September 1998

The Honorable Albert Gore, Jr.
President of the Senate
Washington, DC 20510

Dear Mr. President:

In accordance with sub-paragraphs (a)(1) and (d) of Section 2461, Title 10 United States Code, the Secretary of the Navy must notify the Congress of any decision to study commercialization of functions performed by 20 or more civilian employees for possible outsourcing, and to provide an estimate of the costs and length of each study. The purpose of this letter is to notify you of the Department of the Navy (DON) decision to study certain functions performed by military and civilian personnel for possible performance by private contractor(s).

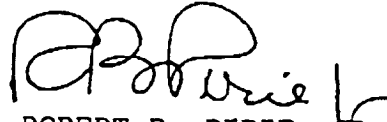
The Navy is pursuing every competitive opportunity to improve efficiency and effectiveness, reduce overall cost of operations, and improve business processes. We have enclosed a comprehensive overview of our latest competitive initiative that details functions both above and below 10 USC 2461's reporting threshold. Please note that to ensure we obtain economies of scale, most of the smaller functions will be consolidated into larger regional or base-wide cost comparisons.

Where required, studies will be performed under the procedures set forth in Office of Management and Budget (OMB) Circular A-76. The military billets listed in the enclosure have been identified for substitution by civilian workers. The A-76 study in each case will determine whether the function will be contracted out or performed by civilian employees of the Department of the Navy. The Navy's estimated cost to study each full-time equivalent position is \$2,000, and the estimated study time for single function studies is 12-24 months and 24-36 months for multi-function studies.

Conversion to commercial contracts will occur only if cost comparison reveals that contracting is the most cost-effective method of performing a function. We will notify you by separate correspondence if competition results support a decision for a conversion.

A similar letter has been sent to the Speaker of the House of Representatives. As always, if I can be of further assistance, please let me know.

Sincerely,


ROBERT B. PIRIE, JR.

Enclosure

Copy to:

The Honorable Strom Thurmond
Chairman, Committee on Armed Services

The Honorable Carl Levin
Ranking Minority Member, Committee on Armed Services

The Honorable Ted Stevens
Chairman, Subcommittee on Defense, Committee on Appropriations

The Honorable Daniel K. Inouye
Ranking Minority Member, Subcommittee on Defense, Committee on
Appropriations

NAVY COMPETITION STUDY CANDIDATES

ACTIVITY NAME	ST	FUNCTION	CIV	MIL	TOTAL
FITCPAC SAN DIEGO	CA	ADMIN SERVICES	0	1	1
SUBSCH NEW LONDON	CT	DATA PROCESSING	0	10	10
SUBSCH NEW LONDON	CT	VISUAL INFORMATION	0	3	3
DIVESALVTRACEN PAN CY	FL	ADMIN SERVICES	0	1	1
FLETRACEN MAYPORT	FL	ADMIN SERVICES	0	1	1
NAMTRAGRU PENSACOLA	FL	ADMIN SERVICES	0	9	9
NAMTRAGRU PENSACOLA	FL	DATA PROCESSING	0	4	4
NAMTRAGRU PENSACOLA	FL	TRAINING DEVICES	0	5	5
NAS PENSACOLA	FL	DATA PROCESSING	0	1	1
NAS PENSACOLA	FL	ELECTRONIC COM EQUIP	10	0	10
NAS WHITING FIELD	FL	DATA PROCESSING	0	2	2
NAS WHITING FIELD	FL	ELECTRONIC COM EQUIP	9	0	9
NATTC PENSACOLA	FL	SUPPLY	0	6	6
NAVSCSCOL ATHENS	GA	BQ MANAGEMENT	0	1	1
TTF KINGS BAY	GA	DATA PROCESSING	0	1	1
TTF KINGS BAY	GA	VISUAL INFORMATION	0	2	2
NTTC AFIS DET FT MEADE	MD	ADMIN SERVICES	0	1	1
NAS MERIDIAN	MS	ELECTRONIC COM EQUIP	1	0	1
NAS MERIDIAN	MS	NATURAL RESOURCES	0	1	1
NETC NEWPORT	RI	BQ MANAGEMENT	0	1	1
NETC NEWPORT	RI	FOOD SERVICES	0	1	1
NETC NEWPORT	RI	SUPPLY	0	3	3
SWOSCOLCOM NEWPORT	RI	DATA PROCESSING	0	2	2
PWC JKSVLE, CHARLESTON ZONE	SC	DATA PROCESSING	1	0	1
PWC JKSVLE, CHARLESTON ZONE	SC	ELECTRICAL PLANTS	9	0	9
PWC JKSVLE, CHARLESTON ZONE	SC	HAZARDOUS WASTE	5	0	5
PWC JKSVLE, CHARLESTON ZONE	SC	MAINT REAL PROP	71	0	71
PWC JKSVLE, CHARLESTON ZONE	SC	MOTOR VEHICLE MAINT	32	0	32
PWC JKSVLE, CHARLESTON ZONE	SC	MOTOR VEHICLE OPS	24	0	24
PWC JKSVLE, CHARLESTON ZONE	SC	PEST MANAGEMENT	4	0	4
PWC JKSVLE, CHARLESTON ZONE	SC	RAIL TRANSPORT	8	0	8
PWC JKSVLE, CHARLESTON ZONE	SC	SEWAGE PLANTS	2	0	2
PWC JKSVLE, CHARLESTON ZONE	SC	WATER PLANTS	4	0	4
NAVMAC MILLINGTON	TN	INFORMATION PROGRAM MGMT	4	0	4
NAS CORPUS CHRISTI	TX	FAMILY SERVICES	0	2	2
NAS CORPUS CHRISTI	TX	MAINT & REPAIR	0	21	21
NAS KINGSVILLE	TX	DATA PROCESSING	0	1	1
NAS KINGSVILLE	TX	MAINT & REPAIR	0	29	29
NAS KINGSVILLE	TX	MOTOR VEHICLE OPS	0	1	1
FCTC DAM NECK	VA	DATA PROCESSING	0	1	1
NAS WHIDBEY ISLAND	WA	PERS PROPERTY	14	0	14
		TOTAL	198	111	309